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INCHON WITHDRAWAL BEGINS Giant Allied Armada Standing Off Seoul's Port

COMMENT

General MacArthur's suggestion that Japan be rearmed has been followed, as might have been expected, by reactions varying from unqualified approval to lukewarmness to forthright criticism.

After five years of military occupation Washington decided that a peace treaty was overdue. Toward the end of October Mr Dulles discussed the matter with Mr Malik and gave him a confidential memorandum outlining American ideas for a treaty.

A month later, with typical discourtesy, the Russians published the American note and their own sharp reply. In it they insisted that, in accordance with the Cairo declaration, Formosa and the Pescadores must go to China (meaning Peking); in accordance with Yalta, Sakhalin and the Kuriles should remain under Russian control, and in accordance with Potsdam, the Ryukyu and Bonin islands should remain Japanese.

This was followed by a statement from the Chinese Communist Premier, Chou En-lai, supporting the Russian position and insisting on participating in the "preparation, drafting and signing" of a Japanese peace treaty. Japan, of course, was to be "democratised" and the United States forces withdrawn.

Meanwhile, the Russians and Chinese Reds have been claiming that America is rearming the Japanese and using Japanese troops in Korea. Finally, it is to be noted that Peking and Moscow have a treaty of alliance agreeing to resist "aggression" either by Japan or by any State allied to Japan.

Put these jigsaw pieces together and we get a grim picture which, in turn, fits into a much larger picture. We must remember that Japan is the only industrial nation of Asia and the only one with a highly skilled labour force.

Japan is without the slightest question of doubt the primary objective of Russia in the East, just as the Ruhr must be in the West. The storm signals are clear; we have been warned.

UN Forces Occupy New Defence Line

Tokyo, Jan. 4.

United Nations forces defending the port of Inchon began to evacuate by sea tonight, according to frontline reports.

They included troops who had been guarding the coast approaches to the South Korean capital of Seoul while it was evacuated by the main United Nations forces.

The great Allied withdrawal from the blazing capital—which has now changed hands three times in six months—was completed almost without a hitch.

The American, British and South Korean troops took up positions on a new secret defence line to the south.

Small forces of Communists were reported to be moving through Seoul late tonight in pursuit of the retreat of United Nations troops.

A giant armada of Navy transports and chartered merchant ships was standing by off Inchon in case it is needed for evacuation.

The transports were protected by American, Canadian, British and Dutch and Australian cruisers and destroyers.

Elsewhere, the advancing Chinese Communists continued their southward drive, plunging down among the mountains in the centre of Korea and threatening to split the United Nations army in two.

One army of about 200,000 Communist troops was reported to be thrusting deep below the 38th Parallel towards the key road junction of Wonju, gateway to the south.

The move would leave United Nations forces isolated on the east and west coasts.

The capture of this strategic town would enable them to command the highway to Pusan, main supply port in the south-east.

FLANKING THREAT

The other main Communist force, swiftly following up the Eighth Army's retreat, from blazing Seoul, the southern capital, and its airfield of Kimp'o, was trying to outflank the United Nations forces falling back through streams of refugees towards Inchon, the West coast port.

United Nations warships were standing off the west coast ready, if necessary, to "redeploy" the retreating troops by sea.

Thousands of refugees tried to board shore transports as the big guns of the warships 18 miles away poured salvoes into the front line moving forward from the fire-covered inferno of abandoned Seoul.

United Nations warplanes roared overhead, covering the retreat and hitting the Communist with bombs and guns.

Of burning Seoul itself, now totally evacuated by all United Nations forces, one pilot said, "It was like watching an ant-hill on fire. Refugees were streaming in every direction, even northward."

SECRET PLANS

The British 29th Brigade, the last troops to leave the city, fought doggedly through a Chinese ambush in the north-western suburbs, suffering casualties.

The last pontoon bridge across the frozen Han River, running through the city, was

blown up by a British army engineer, Sergeant William Robson.

The Eighth Army officially announced today, "The city of Seoul has been successfully evacuated by all United Nations troops who have withdrawn as planned to their next defensive position."

The new defence plan remained a closely guarded secret, but Tokyo observers speculated on the possibility of a line through Suwon, 18 miles below Seoul, or Osan, another nine miles to the south.—Reuter.

TOKYO STATEMENT

Tokyo, Jan. 5.

An official spokesman at the headquarters of the United States naval forces in the Far East denied on Friday that evacuation of United Nations troops was under way at Inchon.

Referring to reports published in the United States, the official said, "facts apparently have been distorted and exaggerated." Civilian refugees and possibly some wounded soldiers were being taken aboard the ships, but that there is no large redeployment by sea.

The spokesman said, "There is no redeployment of any troops by sea from the Inchon area at the present time. Of course, some wounded soldiers are being taken aboard hospital ships. Consistent with the Navy's policy of assisting the civilian populace many thousands of civilians are being taken aboard ships for passage to safe areas. But there is absolutely no basis for the reports that evacuation of the United Nations military (Continued on Page 8, Col. 4)

P & O Ship Abandoned

Brisbane, Jan. 4.

The 11,063 ton British cargo liner Palana, which struck a rock in the Great Barrier Reef to the northeast of Australia last night, was abandoned today.

Shipping authorities here believed that if the weather holds, the Palana will remain afloat until tugs with pumps can beach her, probably on Saturday.

The Dutch freighter Sinakap, which was close by, took aboard Captain Spurr of the Palana, his officers and crew, and the only woman on board—Mrs M. A. Tremfield, wife of the Chief Officer.

The Palana was bound from Brisbane to England.—Reuter.

500 Killed In Cyclone

Paris, Jan. 4.

Reports reaching here on Thursday said 500 persons were killed by a tropical cyclone which swept the Comores archipelago, a French possession in the Indian Ocean.

Forty thousand people were left homeless.—United Press.

STOP PRESS

The Third Test: England Batting

Sydney, Jan. 4.

Freddie Brown won the toss this morning and put England in to bat on a perfect wicket for the opening of the third Test against Australia.

Brown changed his batting order from the Brisbane and Melbourne Tests, sending in Hutton and Washbrook instead of Simpson and Washbrook.

ENGLAND 23 FOR 0

Washbrook and Hutton opened confidently and in 20 minutes had scored 23 runs, Washbrook being 16 not out and Hutton seven.

Seven runs were scored off Lindwall's first over.

BRITISH REPLY TO MOSCOW

Denial of Breach of Alliance

London, Jan. 4.

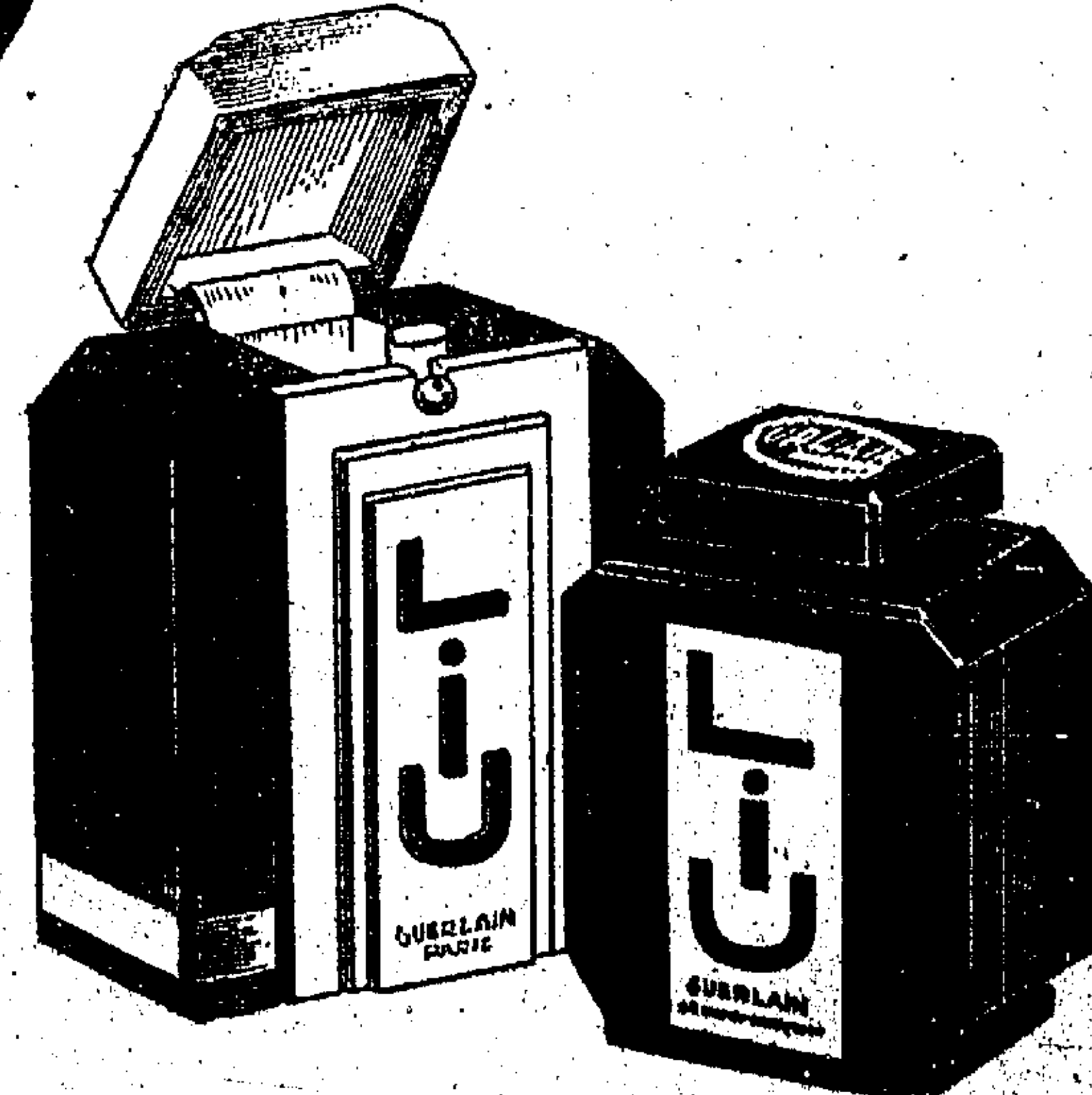
Britain's reply to the Soviet note of middle December which alleged that Britain's occupation policy in Western Germany was a breach of the 1942 Anglo-Soviet alliance will be delivered in Moscow very shortly, it is believed in usually well-informed quarters here.

The British reply, like the French reply to a similar note alleging a breach of the Anglo-French treaty of 1944, is expected to reject the view that Britain has broken the terms of the alliance.

In diplomatic quarters here it is thought that the first exchanges between Britain, France and the United States on their reply to the latest Soviet note have indicated that none of the three Governments see any objection to exploratory four-power talks to fix a possible agenda.

The tone of the Soviet note, however, it is felt here, suggests that an agreement on substance with the Soviet Government is a very remote possibility.—Reuter.

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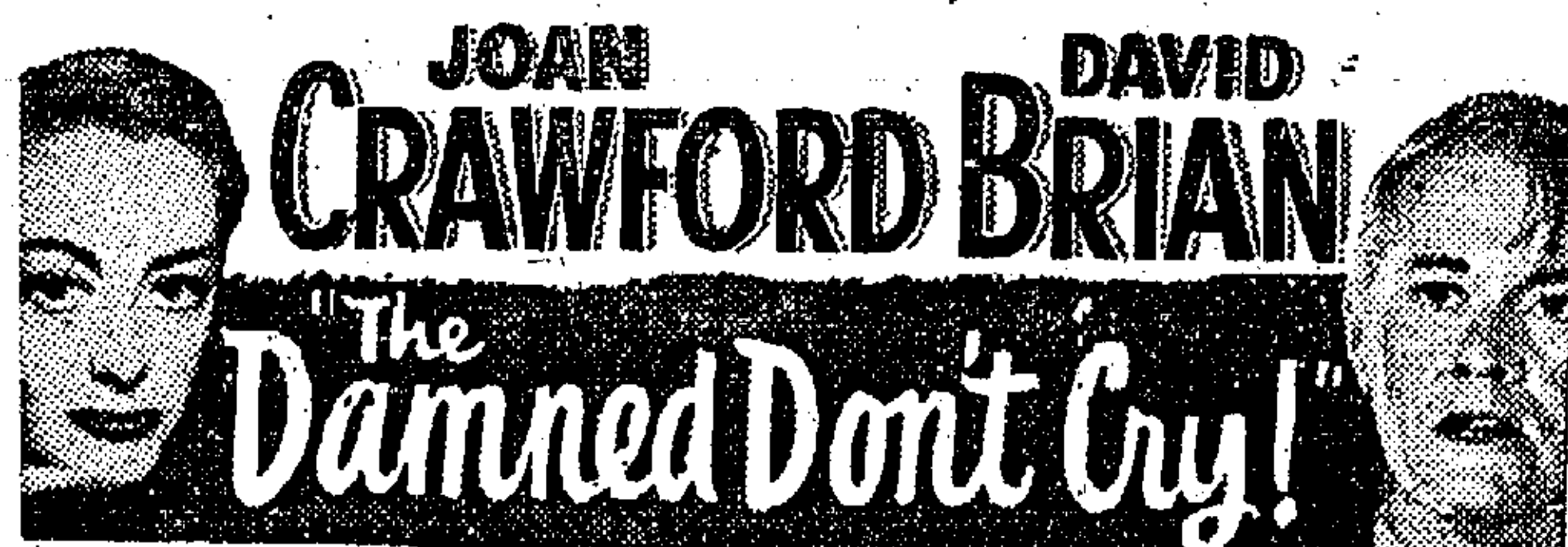
Holders of stub-tickets for "Treasure Island" are cordially invited to participate in a guessing competition—guess the number of "gold coins" contained in the boxes which will be exhibited at the lobbies of King's and Majestic beginning to-day! The first ten nearest guessers will be presented with seasonal awards varying from a Washing Machine donated by Bosco Corporation, Radio donated by Elephant Radio Co., and other consolation prizes. For details please see announcement at the lobbies of King's & Majestic.

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BRITISH RAILWAYS' NEW DIESEL

First picture of British Railways' new £100,000 diesel electric locomotive which has been produced in secret and is now on test. It is the first of three such locomotives and is equipped with a 1,600 hp diesel engine generator giving speeds up to 80 mph. The loco is 64ft long and weighs 135 tons. It is fitted with a driving cab at each end and has hot and cold water and lavatory accommodation for the crew.—Central Press.

**CALL FOR WITHDRAWAL
OF RECOGNITION
OF COMMUNIST CHINA**

(FROM OUR OWN CORRESPONDENT)

London, Jan. 4.

A call for the withdrawal of diplomatic recognition from Red China is made this morning by the Daily Telegraph. It says the Commonwealth Prime Ministers who begin their meetings here today should consider their collective policy towards China in a "mood of realism."

There have been no indications in word or deed that China's intentions are or ever have been other than aggressive, the newspaper says.

"In these circumstances," it continues, "there is little point in the Indian Prime Minister, Mr Nehru, going on talking about the necessity of bringing the Peking Government into the Security Council."

"Nor by the same token can any case now be made out for protracting the absurd farce of this country's recognition of Mao Tse-tung's regime. It has brought us nothing but insults and humiliations... Mr Bevin's 'gesture,' designed presumably to please Mr Nehru, has certainly not pleased Mao Tse-tung."

"It is high time that so unreciprocated an act of recognition should be withdrawn."

THE FACTS

In Malaya, the Telegraph continues, the Peking Government actively encourages the activities of predominantly Chinese terrorists engaged in trying to break down law and order.

It was helping the rebels in Indo-China and menacing all surrounding territories. Soon its forces invading Tibet will be on India's frontier.

"These," says the Telegraph, "are facts which the Commonwealth Prime Ministers should weigh against the muddled thoughts and hopes of Mao becoming an Asiatic Tito."

Admiral's Tour

London, Jan. 4. Admiral Robert Carney, commanding the United States naval forces in the Eastern Atlantic and Mediterranean, will leave here on Jan. 9 to inspect American naval units in Turkey, Greece, Saudi Arabia and Malta, it was announced here today.—Reuters.

**PACIFIC
PACT
PROPOSAL**

Washington, Jan. 4.

Representative Walter Judd (Republican) introduced a concurrent resolution on the first day of Congress to favour of a Pacific pact with United States participation. It was made public today.

Mr Judd introduced a similar resolution last year and was co-sponsor, with Representative James Fulton (Republican), of several amendments, to foreign aid bills, which would have had the same effect.

The resolution does not outline the steps to be followed in the creation of the pact but merely expresses the feeling of Congress that it should be undertaken.

Mr Judd also reintroduced a bill to erase racial discrimination clauses from the United States immigration laws and to provide quotas for certain Asian peoples at present excluded.

During the last session Mr Judd succeeded in getting action on a companion bill to allow naturalisation of all aliens without regard to race, but his bill to provide annual quotas for all Asiatic nations failed to come to a vote in the Senate despite its passage in the House of Representatives.—United Press.

**Epidemic Holds
Up Shipping**

Liverpool, Jan. 4.

The North of England's influenza epidemic had today claimed three thousand Liverpool dockers, causing a big hold up in unloading ships. More than 12 vessels were queuing in the River Mersey, awaiting berths.

The Health Ministry appealed to the public today to ease the burden of the doctors coping with the wave of influenza which is of a mild form and has caused no deaths.

It said that the epidemic spread to west Lancashire though some other areas had had a share of localised outbreak. — Reuters.

**The Last Of
Its Kind?**

Bonn, Jan. 4.

The Allied High Commissioners today held a New Year's reception for foreign diplomatic missions in West Germany at which 19 countries were represented.

Sir Ivone Kirkpatrick, Britain, this month's Chairman of the High Commission, replied to greetings from the Doyen Minister, M. Albert Wehner of Luxembourg.

Sir Ivone, referring to the impending revision of the occupation statute, said: "This may be the last occasion on which the Allied High Commission will meet the heads of diplomatic missions on the basis of the present relationship."

The only East European representative present was Dr Stane, Prime Minister and head of the Yugoslav economic delegation. Other countries were Holland, Denmark, Belgium, Brazil, Australia, Italy, Switzerland, Turkey, Sweden, Monaco, Norway, Canada, Spain, India, Uruguay and South Africa.

In view of the reception, the High Commissioners have postponed their usual weekly meeting till next Thursday.—Reuters.

EISENHOWER MAKES APPEAL

European Nations Must Match US Sacrifices

Building Up Defences Of North Atlantic Nations

Washington, Jan. 4.

General Dwight Eisenhower, the North Atlantic supreme commander in Europe, said today that the North Atlantic defence system would not be successful unless Western European nations matched American sacrifices and efforts.

General Eisenhower made a vigorous appeal for all the North Atlantic nations to build up their defences. He spoke at a Press conference prior to his departure on Saturday on a tour of the capitals of Western European members of the North Atlantic Pact.

General Eisenhower spoke sympathetically to the take part in talks on a European crowded Press conference, frequently pounding the table. He said the movement among the Western Democracies, French Foreign Office spokes-man was one for the preservation of peace and nothing else, man announced today.

He said: "The Western world feels that it has the right and duty to itself not only to live in security but to live in such security that will give its people confidence that they can live in tranquility. This is all that we are trying to do."

"One of the reasons that the United States Government has accepted the national responsibility for command in that area is because of its belief that there is a growing readiness on the part of the Western European nations co-operatively to work with us in the development of security establishments", General Eisenhower said.

He added that unless the North Atlantic nations were ready to make sacrifices collectively, including such things as heavier taxes, there would be no success.—Reuter.

PRODUCTION BOARD

London, Jan. 4. Mr Charles Spofford, Chairman of the Atlantic Pact Deputies Council will fly to Paris tomorrow evening for week-end talks with General Dwight Eisenhower, Supreme Commander of the Atlantic Pact army, it was said in London tonight.

He is expected to discuss with General Eisenhower the general arrangements in setting up the Defence Production Board, authorised by the At-

lantic Council of Foreign Ministers in Brussels last month.

One of the unsettled problems is whether the Chairman of the Board should be one of the national representatives or whether he should be the director of the permanent staff of the Board.

Dean Acheson, U.S. Secretary of State, proposed in Brussels the appointment of a Production Director with powers, who should work in the production sphere as equivalent of General Eisenhower in the military sphere.

At today's meeting of the Deputies Council in London, the first since mid-December, it heard a report on Eisenhower's plan for his stock-taking tour in Europe.

The deputies also discussed appointments to the defence production board. It is understood that several governments were not yet ready to make appointments.

The name of the British candidate is still under discussion. The deputies were expected to meet again in the middle of next week, after Mr Spofford has returned from his meeting with General Eisenhower.—Reuter.

EUROPEAN ARMY

Paris, Jan. 5. France will invite representatives of Western Germany, Italy and the Benelux countries to

The Schuman plan for a European coal and steel merger would probably be signed on July 15, said the spokesman.

Britain would be invited to attend the European army talks and would almost certainly send an observer to the conference.

The European army conference would try to settle the form that German participation would take in agreement with other European nations.

The spokesman did not know whether the German generals, Fidel and Heusinger would attend.—Reuter.

A SYMBOL

New York, Jan. 4. The Times, commenting on General Dwight Eisenhower's coming departure for Europe said today: "Already his appointment has quickened the spirit and pace of rearmament in Western Europe."

Citing defence moves of Britain, Italy and France, the Times said: "These are signs to refute the prophets of isolation and despair who complain we have no allies. Alliances are bonds of common interest and aims; they are dependent on psychological as on military factors."

"General Eisenhower as head of the Western Army is a symbol of our part and confidence on the part of the Western nations. His assignment is a promise of gathering power that points to peace and victory. And that's all that is needed to turn the fearful and wavering into firm willing partners in the fight for freedom which, in the showdown, swallows up all doubts and differences."—United Press.

MAY SEE ADENAUER

Washington, Jan. 4. Military sources said today that there was a better than even chance that General Dwight Eisenhower would see the German Chancellor, Dr Konrad Adenauer, during the General's forthcoming tour of Western Europe.

General Eisenhower may also see former Lieut.-General Hans Spiedel, who is now discussing German rearmament questions with United States officials.

The possibility that General Eisenhower may visit Germany was not ruled out by the General's statement, at his Press conference today, that if he went to Germany at all it would be only for the purpose of seeing individuals. — United Press.

Tito Receives Greek Envoy

Belgrade, Jan. 4. It was announced officially that Premier Marshal Tito of Yugoslavia on Thursday received the newly-appointed Minister of Greece, Spiros Kape Tanides.—United Press.

Smooth In Satin



Lovely singing star Sara Ann McCabe is a gal who combines looks and style with talent. And one glance is enough to prove that the elegant songstress has plenty of all three.

Mother's Hard Decision

Atlanta, Jan. 4. Carolyn Purcell faces a life without sight or no life at all, and the decision must be made by her mother. The little girl, aged four, has cancer in both eyes. Specialists said just before Christmas that her eyes must be removed or she would die. Two more specialists yesterday, after a long examination, recommended that only Carolyn's right eye be removed immediately. About the other eye, they would not say anything. Mrs. Purcell has not made up her mind yet, saying she keeps hoping for a miracle.—Reuter.

AMERICAN VIEW MAY PREVAIL

Washington, Jan. 4. Authoritative diplomatic sources said today that the British Government might have to yield to the United States' views if a supply and allocations board is to be organised this month.

The Secretary of State, Mr Dean Acheson, at Wednesday's meeting with the British Ambassador, Sir Oliver Franks, and the French Ambassador, M. Henri Bonnet, showed no signs of modifying his attitude that a Latin American representative should be on the board. However, Mr Acheson apparently agreed that an Asiatic nation should also be included and that it would be advisable to have a small European country represented.

A diplomatic source said Sir Oliver still advocated a supply board composed only of the United States, Britain and France, which would direct commodity committees to be composed of the representatives of producers and chief importers. M. Bonnet supported him, the source said.

The source added that India was the Asiatic nation Mr Acheson had in mind as member and that Britain would agree if the United States Government modified its attitude on the composition of the board. He added that France was expected to support any new decision the British Government might make.—United Press.

Tanks For Italy

Naples, Jan. 4. The freighter Exeter docked here today with a cargo of tanks for the Italian army, delivered under the Atlantic Pact arms supply programme.—Reuter.

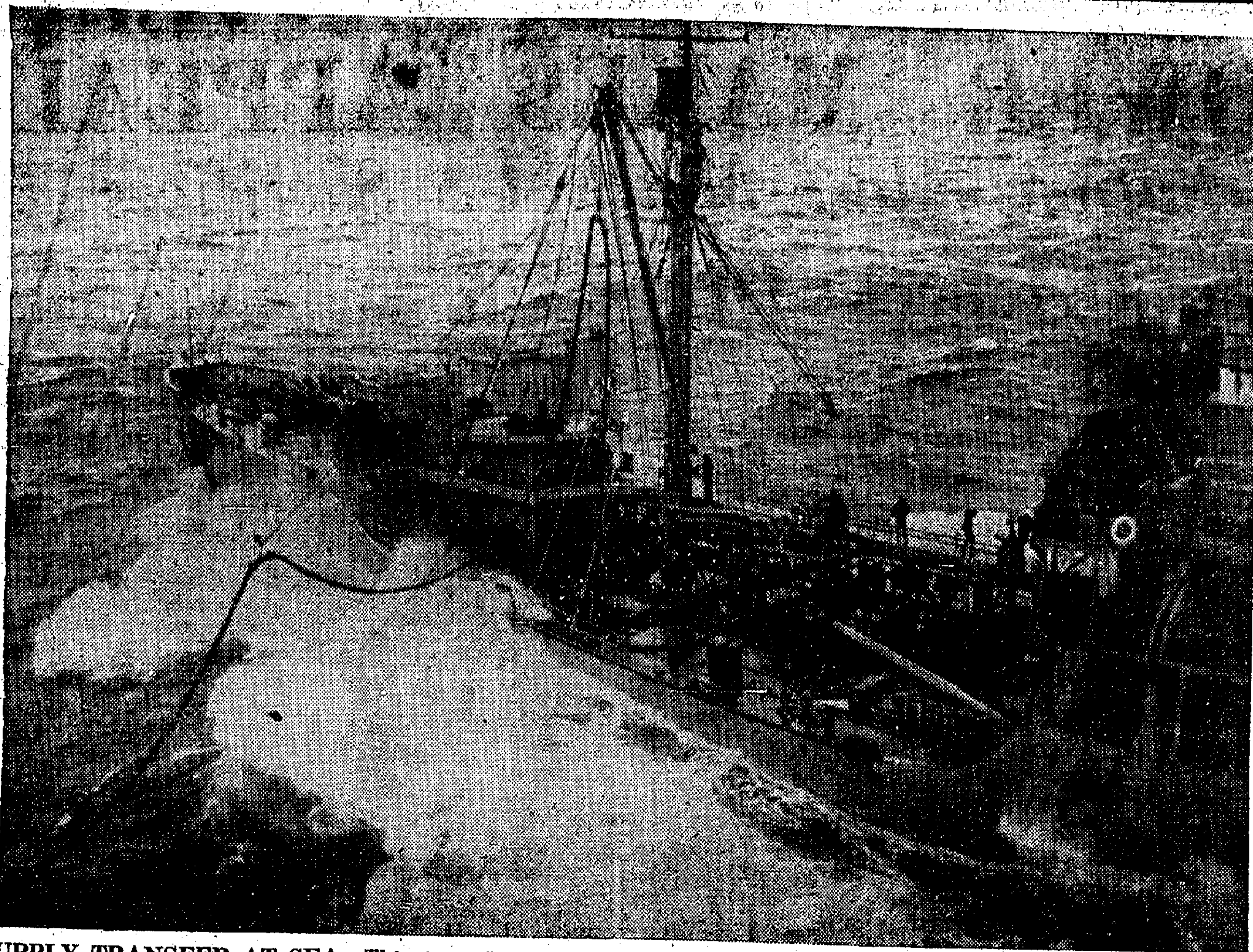
Queen's

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BURT LANCASTER—VIRGINIA MAYO



WHO'S BETTER QUALIFIED?—Jackie Shields, left, and Neva Gilbert are hauling up the United Nations flag at a hotel in Las Vegas. Since a pretty girl is just as qualified to officiate at a flag-raising ceremony as anyone, these gals could probably swing the voting at the United Nations, too.



SUPPLY TRANSFER AT SEA—This is a flight deck view from the aircraft carrier USS Leyte of the fleet oiler USS Cimarron, which transferred fuel, supplies and ammunition somewhere in the Far East. A large oiler can transfer supplies to two ships simultaneously.

Dressing Down The Tailors

Washington, Jan. 4. President Truman will dress as he pleases, London tailors to the contrary.

At his news conference on Thursday the President heard from a reporter that some tailors in London were horrified over the way he dressed. Mr Truman said that is none of their business. — United Press.

Red Persecution

New York, Jan. 4. The Chinese Communists have started a campaign of persecution and terror against American missionaries in an attempt to discredit all religions, the Catholic Foreign Mission Society of America charged today.

The organisation said that both Catholic and Protestant missionaries were being molested and their schools, churches and hospitals confiscated. — United Press.



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US WILL NOT BOMB RED CHINA WITHOUT PERMISSION OF UN

Washington, Jan. 4. President Truman said on Thursday the United States will not bomb Communist China without United Nations permission and is not considering making such request.

The President said to consider such plan might involve an actual formally declared war with Red China.

But even as Mr Truman voiced his views at a news conference, Republican Senator

Styles Bridges called for bombing of Red Chinese bases and a United States Navy-supported invasion of the China mainland by Generalissimo Chiang Kai-shek's Nationalist forces on Formosa.

The Senator said in a statement that as things now stand the Air Force in Korea is fighting "half a war" because it is not permitted to strike against the Communist "sanctuary" in Manchuria. Mr Bridges also said the United States should demand that other United Nations provide more than "token forces" in the Korean war. He said, unless these things are done, "we should immediately withdraw from Korea and re-group our forces to protect Japan from Communist invasion."

Senator Bridges continued: "American infantry has been in the middle long enough. We should get behind them or get them out."

President Truman declined to comment on the military situation in Korea.

Republican Representative John Vorys, ranking member of the House Foreign Affairs Committee, also criticised President Truman's statement and said "all necessary steps" should be taken to halt Chinese aggression.

But acting chairman James Richards, Democrat, of the same Committee, said bombing of Red China "would not do any good . . . and the results would not be worth it." — United Press.

Agreement On Kashmir Decision

London, Jan. 4. The decision taken by the British Government not to accept Mr Liaquat Ali Khan's demand to include Kashmir on the agenda of the full conference for formal discussion has the support of all the other members of the Commonwealth apart from India.

They share the feeling that the "family" atmosphere of such a gathering should not be vitiated by discussion of controversial issues involving the national policy of member States.

It is understood that India has been taking a consistently detached attitude over the exchanges between Pakistan and the British Government.

India has made it clear to Mr Clement Attlee, the British Prime Minister, that, firstly, the Kashmir dispute is before the United Nations and no step should be taken to take the dispute out of the jurisdiction of this world organisation; secondly, India is prepared to have the matter discussed in an informal, friendly way in London with the Pakistan Prime Minister, not with all the members around, but with Britain and such other members who have knowledge of the issues in the dispute and can be expected to make some useful contribution. — Reuter.

Press Head Accused As War Criminal

Vienna, Jan. 4.

Ion Popescu Puturi, general director of the official Rumanian news agency Agapress, has accused Hugh Baillie, president of the United Press, of being a "war criminal" because of dispatches Baillie wrote during his recent trip to Europe.

The accusation is contained in the Communist newspaper Romania Libera, a copy of which has just reached Vienna. In the signed dispatch, Popescu Puturi denounced "imperialist press agencies."

Commenting on Baillie's trip, he said, "On arriving in Paris, Hugh Baillie manufactured an exchange of messages between himself and MacArthur, giving the latter an opportunity to 'make excuses' for the defeats he suffered. Then Hugh Baillie rushed to Frankfurt, where he also manufactured a message for the puppet in Bonn (Chancellor Konrad Adenauer of the West German government)."

"Thus the United Press enabled this American flunky to fling mud at the Soviet Union, the People's democracies and peace partisans, demanding that the United States step up to the maximum its war preparations. It is one of the countless forms by which the imperialist press is carrying its criminal propaganda in favour of war. — United Press.

Burmese Rebels Surrender

Rangoon, Jan. 4.

About 10,000 insurgents are estimated to have taken advantage of the Burmese Government's general amnesty order which expired today.

Official sources said today that the order would not be extended further. The insurgents include Communists, Karen rebels, tribesmen, army mutineers and "White Band" members of the People's Volunteer Organisation. — Reuter.

General Dean Last Seen Assisting Wounded To Safety

Washington, Jan. 4.

The Army reported officially today that Major-General William Dean, Korean war's first Medal of Honour winner, was last seen helping stragglers and the wounded near Taejon, after personally directing a gallant but futile fight to safety.

President Truman will present the medal to Mrs Mildred Dean of Berkeley, California, at a White House ceremony next Tuesday.

The citation accompanying the award will say that Maj. Gen. Dean, at one time in the desperate fighting for Taejon, "personally and alone attacked an enemy tank while armed only with a hand grenade."

It will also say he "was last seen assisting the wounded to a place of safety."

The story of General Dean's bravery in attempting to halt the North Korea drive during the early critical days of the war, was told by Brigadier-General Pearson Menoher, assistant commander of the division. General Menoher said General Dean remained in the thick of fighting at all times "with utter disregard for his own life."

DISABLED TANK

Gen. Menoher said when Communist tanks appeared at Taejon, Gen. Dean organised bazooka crews and pursued them. Gen. Dean directed the fire of a 75-mm recoilless rifle

at a disabled tank, but after firing four rounds without a hit he started crawling towards the tank with a hand grenade intending to throw it into the open hatch. But Gen. Dean was pinned down by small arms fire. He managed to get away and round up several bazooka teams which knocked out three other tanks.

Gen. Menoher's report did not say that Gen. Dean personally knocked out one tank with a bazooka, but said he repeatedly directed a bazooka team to fire at tanks. Between tank hunts, Gen. Dean directed air strikes to make sure that his own troops were not hit.

When Gen. Menoher left Taejon, Gen. Dean stayed behind to make sure that everyone else got out safely. On leaving the city Gen. Dean stopped his vehicle several times to pick up the wounded but was finally forced to abandon it because of road blocks. He was last seen while helping round up stragglers and the wounded in the middle of the night slightly south of Taejon. — United Press.

Assam Quake Shock

Bombay, Jan. 4.

An earthquake shock of slight intensity, with its origin in North Assam, was recorded here early today. — Reuter.

KASHMIR DISPUTE CONTINUES

Concern Is Expressed By The United States

Solomon's Merry-Go-Round

Concord, New Hampshire, Jan. 4
This formula was offered by Governor Sherman Adams in his inaugural address on Thursday as a step toward solving the nation's economic problems.

"I believe," he said, "if we all would decide this year to give half a dollar more worth for a dollar we receive, we would all come pretty near getting back the half dollar we are losing because our dollars are only worth half as much."—United Press.

Resettlement Of Bulgarians

Geneva, Jan. 4.

A three-men mission left the headquarters of the International Refugee Organisation today for Ankara to advise the Turkish government on resettlement of some 250,000 Bulgarians of Turkish ethnic origin who have been expelled by the Communist government.

The assistant IRO director general, Mr. Myer Cohen, heads the mission, which also includes Dr. Rodolphe Coigny and Brig-General Maurice Lush.

IRO said refugees were arriving in Turkey with nothing but the clothes they wear following confiscation of their property under the Communist nationalisation programmes. It is estimated about 90,000 of them will have reached Turkey by early spring and they will continue to cross the border at the rate of about 15,000 monthly.—United Press.

Steel For Reds In China

Washington, Jan. 4.

Authoritative sources said on Thursday that the United States was trying to persuade France to cancel contracts to supply steel to Communist China.

French steel makers have contracted to sell the Chinese Reds 39,000 tons of steel, primarily rails for China's shaky railway system.

The French Government said several of the firms had agreed not to accept any new orders. The United States feels that previous contracts should be cancelled. The United States has barred all American trade with the Chinese mainland.—United Press.

Report Of Formal Note To Britain Officially Denied

Washington, Jan. 4.

The United States on Thursday expressed concern over the continuation of the dispute between India and Pakistan over the princely state of Kashmir which lies next to Tibet, recently invaded by the Chinese Communists.

State Department spokesman Michael McDermott said the United States is in "constant consultation with the governments of the United Kingdom, India and Pakistan in our efforts to work for a solution of this issue."

Mr. McDermott denied a report, published here on Thursday, that the United States had sent a formal Note to Britain urging that the Kashmir dispute be considered by the Prime Ministers of the Commonwealth countries meeting now in London. Pakistan Prime Minister Liaquat Ali Khan is boycotting the conference because of its refusal to place Kashmir on its agenda.

Mr. McDermott said that while the United States had "not addressed a Note to the United Kingdom on the matter" it was common knowledge that the American government was "deeply interested in a solution of the Kashmir dispute acceptable to both parties." Mr. McDermott added the United States was willing to approve any method of settling this fight, either within the United Nations or outside the world organisation.

Mr. McDermott said the United States favours "the use of every means for exploring possible solutions both within the United Nations and through devices chosen by India and Pakistan. Obviously the meeting of Commonwealth Prime Ministers at London offers a possibility for discussing various Commonwealth problems including that of Kashmir."

Other American officials added privately that while they favoured any possible solution, they still believed the United Nations Security Council offered the best possibility. They expressed hope that, if no constructive solution came out of any Commonwealth discussions, the Security Council would resume its discussions on Kashmir at an early date.

The Council has before it a report by the Australian jurist, Sir Owen Dixon, of his failure as a mediator for the United Nations in the Kashmir dispute.

Observers pointed out that American concern over the dispute stems mainly from fear that dissension in this strategic area will play into the hands of the Communists, who have already invaded neighbouring Tibet.—United Press.

PROMOTE SETTLEMENT

Washington, Jan. 4.

The Washington Post said today that the State Department had asked the British Govern-

ment if it could not try to promote a settlement of the Kashmir dispute between India and Pakistan at the meeting of the Commonwealth Ministers.

Diplomatic and official informants, who normally would be aware of such a move, said that they had not heard of it.

The Post said: "The United States is so worried about the military weakness of the Middle East that it has sent an unprecedented message on the subject to the British Government."—Reuter.

REPORT DENIED

London, Jan. 4.

Spokesmen of the Foreign Office and of the United States Embassy in London this afternoon formally denied that the State Department had sent Britain a note urging a settlement of the Kashmir dispute at the Commonwealth conference which opened here today.

They were commenting on a report in the Washington Post.—Reuter.

Situation In Burma Well In Hand

New York, Jan. 4.

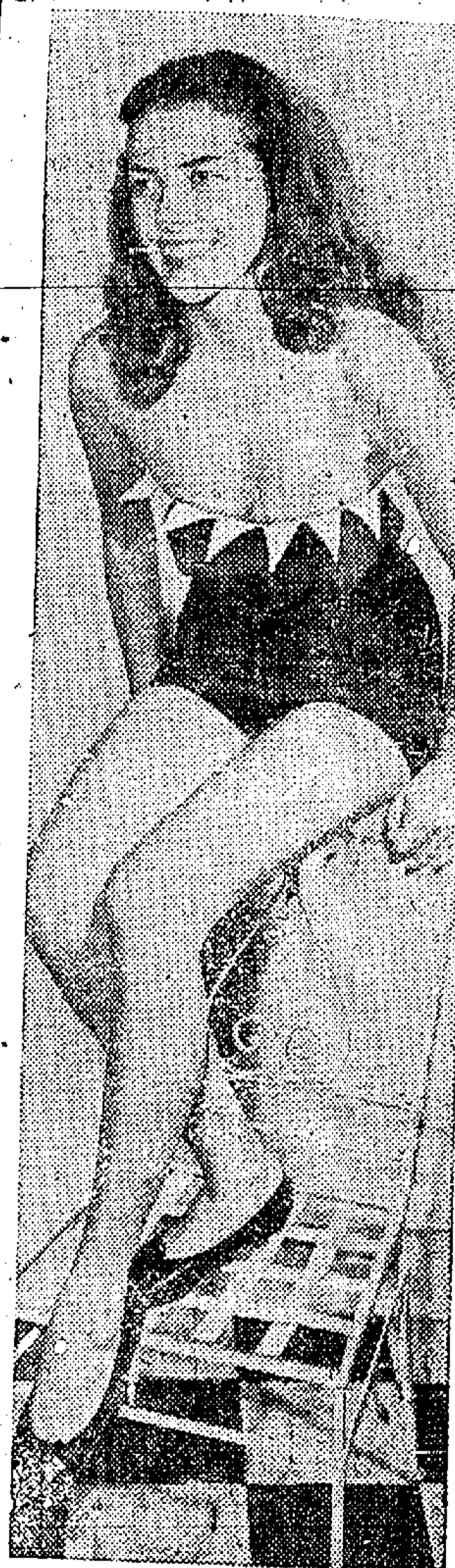
The United States Ambassador to Burma, Mr. David Key, said today that the Burmese Government could overcome the Communist rebels in the absence of foreign intervention but warned that a Communist victory in Indo-China would pose an immediate threat to Burma.

Mr. Key, who arrived from Rangoon, for several months' consultations, said at present there was no evidence of any direct outside aid given to the insurgents.

The Government, which he described as democratic and friendly to the United States, could cope with the local Communists, who were not numerous and were split up in separate groups.

He added that there was no coherent Communist movement in Burma.—United Press.

Different



Marjorie Hathaway models this black nylon lastex swim suit in Hollywood. And with Marjorie in it, the suit is an almost guaranteed eye-popper that will create a lot of interest on the beaches.

Rescinding Red Trade Agreements

Washington, Jan. 4.

Six resolutions were introduced on the opening day of the new Congress to favour the rescinding of foreign trade agreements with Communist-controlled countries.

In addition, Democratic Representative Donald O'Toole introduced a resolution to suspend diplomatic and commercial relations with Hungary.

Republican Representative John Heselton introduced a resolution asking for an investigation of the enforcement of export policies and control regulations.—United Press.

Blast Casualties

Lima, Jan. 4.

Casualties in the dynamite blast at the valley hydroelectric project rose today to 120 dead, 40 missing and 72 injured, according to Press reports. The

U.S. MUST CONTAIN COMMUNISM

Washington, Jan. 4.

Representative Pau Shafer (Republican) said in a statement today that the United States must contain Communism by sea and air and avoid land wars with Russia.

Mr. Shafer endorsed Mr. Herbert Hoover's proposal to send no more American aid overseas until the European nations arm themselves.

"This third world war, which is so close upon us, cannot be, from our viewpoint, a war for the survival of any particular nation other than our own," said Mr. Shafer.

He added that the United States could help nations of Western Europe to arm, but "we cannot do all their fighting for them."

He said also that Mr. John Foster Dulles "and other administration apologists" said the United States must have European and Asian bases to retain control of the sea and air. Mr. Shafer added: "We have adequate bases in the Philippines, Formosa and the isles of the Western Pacific. Spain can be made available to us."—United Press.

Philippines Envoys Appointed

Manila, Jan. 5.

President Quirino was reported to have agreed to the appointment of the former Chief Justice of the Supreme Court, Mr. Claro Recto, as Philippine Ambassador to Spain and of another special envoy to the Vatican.

The Franco Government in Spain was being asked for its diplomatic view on the projected appointment of Mr. Recto, who is regarded here as the man best qualified for the Madrid post.

The appointment of a special envoy to the Vatican was said to have been considered at a conference between the President, the Foreign Affairs Secretary, Mr. Carlos Romulo, and Church leaders.

In the meantime, the Philippine foreign service went under the pruning knife in a conference between Budget Commission representatives and the Foreign Office, to carry out presidential reorganisation instructions.—United Press.

NANCY

Legal Decision



By Ernie Bushmiller



It Makes Me See Red, Anyway!

Says IVAN SHARPE

This being the season of greetings and such, it is opportune to say the League Management Committees of England and Scotland will receive in abundance the good wishes of the sporting public of these old islands, if they now do something about this transfer business.

The East Fife affair has been called "a drama." But a representative of one of the clubs who figured in the bidding for the transfer of Alan Brown says of it: "We live in sordid times. This was an auction."

"If anybody had told me, even ten years ago, that I would be figuring in a deal of £25,000 or more for a football player I would have said: 'You may certify me'."

Evidently my friend's club think they must keep pace with modern developments in the football world.

TIRED OF IT

But I am not at the moment concerned so much with the amount of money, whether it be £25,000 or £30,000. I am not much concerned because I have protested since the figure reached £10,000 over twenty years ago... protested until I am tired of it, so that I am ready to leave them all to stew in their own juice.

It is the auction side of it that holds more hope of remedy.

East Fife are a small club situated at Methil, one of the coal-exporting ports on the Firth of Forth. "On the pier-head," says my gazetteer, "is a red fixed light seen nine miles."

As a small club, with a ground holding only about 26,000, they need to raise funds, presumably, so the player went to the highest bidder.

But what a business! What a spectacle of bartering! What a weapon in the hands of those who call this transfer business a traffic in flesh and blood!

What does the sporting world think of these widely-publicised auctions? I can tell you.

The whole transfer system is one of the big reasons why the schools of the country are deserting Soccer for Rugby football. It's the secondary schools now, and there's a landslide.

Remember the song—hit, Music, Music, Music? My doctor said his telephone was ringing so much during an epidemic that he changed it to "Measles, measles, measles."

TIME FOR ACTION

It is no mere epidemic in the transfer world. The disease is continuous. Transfers cause more talk than tactics. It's "Money, money, money."

I suggest that the red light of Methil has now become so spectacular that it should be seen at Glasgow, Preston, London and other places where League Management Committee members hold their meetings.

The time has come for action. If there must be bloated transfer fees (and with these I disagree) then the

Management Committees should assume control.

They should order all transfer offers to be made through the League offices, allowing each interested club one (private) bid and no more.

By so doing they could clamp down, both on bartering and on most of this damaging publicity.

RECOVERY

"I suppose, if you have two wars in a short span, it takes a very long time for things to improve."—Col. R. S. Rait-Kerr, Secretary, MCC.

How long? Footballers, as well as cricketers, are asking. Turn back... The first world war killed off four seasons of normal sport.

In the sixth season after the resumption a great football team arrived—Huddersfield Town, who broke the record by winning the League three years in succession. But Stephenson and Smith, on the left wing, were pre-war players.

In the 12th season came Arsenal, with Male, Roberts, James and Bastin—a post-war team that equalled the hat-trick.

Ten seasons or so were thus required for recovery. It took Scotland nine years to build the star-strewn Wembley Wizards XI of 1928.

This is the fifth season after the second world war, and revival isn't really on the horizon.

Manchester United and the Spurs can be marked impressive by the test of time, but that's about all. And neither has yet reached the old Huddersfield Town and Arsenal standard.

International results of England and Scotland tell the same tale, bearing in mind that English successes have been due primarily to pre-war players, to Matthews, Lawton, Carter and Company.

CRICKET SLOW

Now cricket. Recovery here will be slower because there was so little three-day play throughout the wars, and it takes longer to produce a first-class cricketer.

In the fourth year after the Kaiser war, Yorkshire (Champions) had a really worthy side but it was largely of pre-war players, Rhodes among them.

By the 13th year Yorkshire were there again with a post-war team of similar quality—left-hander now was Verity.

In the Tests with Australia we went fourteen matches before securing a win.

Then in the 10th year after the war, A. P. F. Chapman's tour team, starring Hammond, turned the tables. Ten years, again.

Ten years seems a long wait? We are only half-way to recovery? But are we even so far?

The first world war "killed" four seasons; the Hitler war, seven seasons.

But cheer up. There have been breaks in the clouds at Brisbane and at Melbourne.

Things might be worse. It took sixteen Wimbledon to produce a Fred Perry.

Compton And Warr To Play In The Third Test

(By OUR OWN CORRESPONDENT)

Sydney, Jan. 4.

Only one man who is new to Test cricket has been chosen for the English side to play Australia in the Third Test Match beginning at Sydney to-morrow.

The England XI is as follows.—Brown, Compton, Hutton, Washbrook, Evans, Simpson, Bedser, Parkhouse, Bailey, Wright and Warr.

The changes from the Second Test Match lost so narrowly at Melbourne, are Warr and Compton for Close and Dewes, both of whom are unavailable, though they would hardly have been chosen in any case.

Others among the 17 players omitted are Berry, who will be 12th man, Hollies, McIntyre (who is injured) and Sheppard, who has never found his batting form in first class matches.

The only doubt in the minds of the selectors must have been whether to include Hollies or Warr and they have relied on speed rather than spin.

Warr, while unlikely to be given a new ball with Bedser and Bailey playing, will be able to take much of the burden of shock bowling off the shoulders

of Bedser and keep him fresh for his occasional bursts attacking bowling against key batsmen.

Among Warr's more notable feats this tour are his four for 67 and two for 25 in the match against New South Wales which ended yesterday.

I believe this selected side is about the best available and ought to make a bold bid to win this match. If this game is lost, then the destiny of the "Ashes" is decided, for England is already two to none down.

I believe that, heartened by events of the match just over, in which Simpson and Parkhouse re-discovered themselves as batsmen, we have an even chance of winning.

This is to be called officially the Commonwealth Jubilee Test Match in celebration of the anniversary mentioned.

In addition to a £50 trophy for the winning team, everyone taking part will get a prize, even as did all participants in the Animal and Bird Race run by Alice in Wonderland.

These prizes will consist of inscribed replicas of the trophy and winners as well as losers will get them.

Compton practised again to-day.

Brown ought to win the toss this Test after losing it on two previous ones.

The weather forecast is dubious.

Brown's own forecast is "We'll be stronger with Denis playing and this time I think we'll win. Our fellows have gained confidence in themselves."

K.C.C. TENNIS LEAGUE

The following games are down for decision in the Kowloon Cricket Club Sunday Morning League on Sunday, January 7, commencing at 10.30 a.m.

Pink Socks v Black Socks; Yellow Socks v Purple Socks.

Teams will be chosen from the following players:
Pink Socks.—Mrs L.F. Stokes (Capt), Mrs J. Horsman, Mrs Liang, Miss B. Chang, J. Lerlou, R.H. Lapsley, W. Pepperell, D.S. Symond.
Black Socks.—Miss A. Birt (Capt), Miss H. Bonbernard, Miss B. Greaves, Miss M. Frazer, L.F. Stokes, D. Chen, Capt Clayden, L.R. Brown.
Yellow Socks.—Mrs R.B. Lawes (Capt) Miss P. Ward, Mrs S. Groundswait Miss K. Brown, F.R. Kernan, W. Gaffney, Capt Caley, H. Ridsdale, E. Eskes.
Purple Socks.—Mrs W. Pepperell (Capt), Miss M. McNeil, Mrs H.A.C. Hill, A.V. White, L. Leouzon, R. Bulldhead, L.G. Cousins, N. Broadbridge.

THE GAMBOLS



ALEC BROWN A CERTAINTY FOR PRO SNOOKER TOURNAMENT

By Archie Quick

Although there is yet the best part of a month to run in the £1,000 'News of the World' snooker tournament at Leicester Square, London, it is a certainty that the eventual winner will be Alec Brown, the longest handicap man.

The professionals arranged the handicap among themselves, but Brown has run into such a vein of form that even Joe Davis has found it impossible to concede him three blacks a frame.

Some years ago Davis told me that on his day Alec is the finest potter of a ball in the world and he fails at championship class only because his cue ball action is faulty. In other words Alec can get the ball into a pocket with the best of them but is not so perfect as the Davis's and the Donaldsons in leaving himself in position for the next stroke, which is the basis of top flight professional play.

Brown has played and won his six matches in the current tournament, and what is more has achieved his successes with notable decisiveness. He has snatched balls into pockets from all distances and angles, and Davis told me the other day that no one in the world could stand up to Brown and give him 21 points a frame when he is in that irresistible form. Alec has one outstanding game to play against Horace Lindrum in January and the prize money will be awarded after the game.

It would be Brown's second major success for he won the 'Daily Mail' Gold Cup in pre-war days. Brown used to be a speedway rider, but this year's different profession has not affected his delicacy of touch. I know something of the difficulty Brown has endured to retain his form, for he has hours and hours of practice.

private practice and the not altogether lucrative coaching of unresponsive pupils. Exhibitions, too, do not command a big income unless you are a Joe Davis. I would say that the second class snooker professional is in very much the same position as a second class golf professional—not much in the way of wages but constant toil to maintain a living at two of the most exacting of all sports. Golf and snooker call for greater accuracy than any of the other games, although rewards in the others are greater.

US Offer To S. America

Washington, Jan. 4.

The United States today offered to sell two light cruisers to each of three South American Nations—Argentina, Brazil and Chile—for hemisphere defence.

The State Department said if the offer were accepted, arrangements would be made for rehabilitating the ships and training crews of the three countries.

All three nations have been conducting preliminary negotiations for the ships for some time.—Reuters.

Truman Explains

Washington, Jan. 4.

President Truman said at his press conference today that the appointment of an ambassador to Spain did not contemplate the inclusion of Spain in the mutual defence resistance programme.

That had not been under consideration, at least by him, he said.—Reuters.

FANLING GOLF

Draw For Mixed Foursomes

The draw for the Mixed Foursomes organised by the Royal Hongkong Golf Club to be played at Fanling by January 21, is as follows:

Mr & Mrs B.D. Cayford v Major & Mrs B.G. Pugh; Mr & Mrs N.A. Brown v Mr & Mrs L.C. Saville; Mr & Mrs N.E. Wallem v Mr & Mrs H.F. Phillips; Mr & Mrs E.H. Sainsbury v Mr & Mrs A.S. Adamson; Col & Mrs A.S. Shaw; Ball v Mr & Mrs K.S. Robertson; Mr & Mrs H.D. Bidwell v Mr & Mrs J. Wal; Mr & Mrs J.F. Raeburn v Mr & Mrs K.M. Almar; Mr & Mrs C.J. Ketola v Mr & Mrs H.R. Cleland; Mr & Mrs N.E. Arthy v Mr & Mrs D.S. Robb; Mr & Mrs R.G. Gray v Mr T.A. Butler & Mrs A. Hayes; Dr & Mrs A.W. Dawson; Grove v Mr & Mrs W.C. Hung; Dr & Mrs J.B. Mackie v Cmdr R.S. Barry & Mrs Latimer; Mr & Mrs F.D. Hunter v Mr & Mrs W.G. Robertson; Mr & Mrs L. Goldman v Mr J. Taylor & Mrs Birtwhistle; Major & Mrs E.N. Thursby v Col & Mrs J.S. Macfarlane; Mr & Mrs G. Stewart v Mr J. Linaker & Mrs Smalley.

Dutchman's Double Success

Christchurch, Jan. 4.

The Dutch professional cyclist, Uan Denksen, won the mile and five miles professional races in the final Canterbury centennial games' cycling programme.

Denksen beat his countryman Arie van Vliet, on both occasions. Van Vliet set a track record of 28.5 seconds for the 440 yards.—Reuters.

The Churchill Story: 14th Instalment PROMISE FULFILLED

IN 1924, after five busy years marred by illness and defeat at three elections, Winston Churchill fulfilled a boyhood promise.

He became Chancellor of the Exchequer and put on the robes of office which his father had worn nearly half-a-century earlier.

The years since the war had been full of political ups and downs and personal joy and grief. During them, Marigold, his three-year-old daughter, died, and Mary, who was to bring him much happy companionship, was born.

For two of them, as Minister for War and for Air, he supervised the demobilisation of armies and prosecuted the struggle against the Bolshevik Revolution.

Colonial Secretary

HE did not escape criticism for either job, but it is now clear that the decision to back the Whites against the Reds was taken before he became War Minister and was confirmed by the Allied chiefs in Paris. It was not his at all, though he supported it.

For eighteen months he was Colonial Secretary. His greatest achievement then was undoubtedly the negotiations which led to the formation of the Irish Free State.

Michael Collins, the Sinn Féin leader, just before he died by an assassin's bullet, sent a message to him: "Tell Winston," he said, "we could never have done anything without him."

Once, when negotiations were at crisis-point, Churchill won Collins over by showing him a framed copy of the reward the Boers had offered when Churchill escaped.

Out Of Office

COLLINS had grumbled at the £10,000 price the Government put on his head. "At least it was a good price—look at mine, £25," said Churchill disgustedly.

Collins roared with laughter and the tension eased.

When the Conservatives broke up the Coalition and Lloyd George fell, Churchill fell with him.

Dundee, which had made him easily top of four in 1918, placed him fourth of five in 1922. Fifth was Willie Gallacher, the Communist.

Mrs Churchill, always cool and gracefully valiant at her husband's side, had to fight most of this election for him. He had just had his appendix out—it was an emergency operation and it was a big question whether he would live.

Churchill sat on the platform to make a few speeches but he was clearly ill and was seldom heard by more than the first few rows, so stormy was the barracking.

For the first time "What about the Dardanelles" was the opposing battle-cry.

JEST A MINUTE!

By GEOFFREY EVANS



"And now a few words on the progress and advantages of nationalised industries."

By Colin Frame

He faced defeat well. He was tired. He needed a holiday. So "without a seat, without a party and without an appendix" as he put it, he went to Cannes.

There he busied himself with pen and paintbrush. His newspaper articles commanded immense prices—he was paid £500 apiece for one series of twelve—and the first two volumes of "The World Crisis," his classic study of the war, made him richer by £20,000.

Painting was a pastime he first made his own as a solace when he left the Admiralty.

One story is that he became interested when Sir John Lavery painted his portrait. Another that Lady Lavery took his hand and guided it over his first canvas.

The truth is that neither was present that Sunday when, moodily despairing of his inactivity in time of war, he took his daughter Diana's paintbox out with him on a walk in the country.

First Painting

THE enjoyment, the peace and a relaxation that came to him through that first simple painting with a child's box of colours he found so rewarding that he bought oils and brushes next day.

Later on Lady Lavery showed him how to use colour boldly.

His studies of landscape and still life have since found their triumphant way into the Royal Academy, but on that holiday at Cannes his painting was regarded only as a means of forgetting the troubled world of politics and renewing his strength.

He returned to his latest and loveliest home, Chartwell, still his joy and pride, a 16th century manor nestling in Kentish woods and overlooking the Weald.

Nowadays he and Mrs Churchill are the honoured caretakers of it, for Chartwell, with its 24 rooms over which flies the ancient flag of Warden of the Cinque Ports, has been bought for the nation.

Rowdy Election

FROM there he left for Leicester to take up again the political cudgels as a Liberal free trader in an election where tariffs were once more the main theme.

It was another rowdy election. "I cannot shy a stone at every dog who barks," he snarled at his barrackers. To the usual parrot cry he lifted his head and replied: "The Dardanelles might have saved millions of lives. Don't imagine I run away from the Dardanelles—I glory in it."

Leicester rejected him. Even his friends began to feel his career in politics was over.

Then occurred the bargaining which resulted in the Labour Party forming a Government for the first time in British history. Churchill was appalled, and angry with the Liberals who had made this possible.

Enjoyed The Fight

HE decided that what the country needed was a Liberal-Conservative Coalition against the Socialists.

He never fought as a Liberal again.

In 1924, when he stood for the Abbey division of Westminster at what was probably the most exciting election of his life, he called himself a Constitutionalist.

In fact, he had the backing of many influential Tories, but there was an official one against him.

His answer to challenges about turning his coat again was the same as that twenty years earlier: that his principles had remained the same but parties had changed theirs.

He enjoyed every minute of this fight. He felt himself the leader of a new Centre Party.

He had a scratch and humbly amateur organisation. Mayfair women canvassed for him; chorus girls from Daly's sat up all night addressing envelopes; his old battalion second-in-command Sir Archibald Sinclair was on his committee; a borrowed house filled with priceless Romneys and Gainsboroughs was his H.Q.

Poster Of Diana

MRS CHURCHILL joined in as did his children. He was greatly shocked by a poster fifteen-year-old Diana splashed with the slogan "Vote for Daddy."

Polling day was a riot of excitement. It is said that one foreigner arriving at Victoria was so upset by the behaviour of the phlegmatic English that he caught the next train to the Continent convinced the revolution had begun.

An early count was followed by the news "Churchill is in" which was flashed round Britain. But more careful counting showed that he had lost to the official Tory by 43 votes.

This defeat was for him a victory. Britain had followed the campaign and his political popularity was re-established.

In the autumn of that year he had no difficulty, when the first Labour Government fell, in winning the Epping Division of Essex by a majority of more than 9,000.

His two-year holiday from Parliament was over. It has been the only break in his half-century of service there.

At Epping he still described himself as a Constitutionalist—but there was no doubt now which party he felt to be his home.

The new Prime Minister, Baldwin, called for him. "I am prepared to make you Chancellor," he said. "Of the Duchy?" queried Churchill recalling those miserable war-time days in such a sinecure. "Of the Exchequer," said Baldwin.

Budget Speech

WITH this post Churchill practically boxed the Whitehall compass—Navy, War, Air, Home, Colonies, Trade, Munitions (similar to present-day Supply) all had been his at one time or another.

But he had to wait sixteen years more for the biggest prize of all, the Premiership, which rounded off a record of responsible Governmental jobs unique in British political history.

He wished, as he rose to make his first of five Budget speeches, that his mother had been with Mrs Churchill, Randolph and Diana in the gallery smiling down on him.

"She shone for me like the evening star," he wrote in "My Early Life" (Odhams Press) of this dark-eyed vital American beauty who won Lord Randolph Churchill's heart at first-glance and who for 47 years gave her brilliant elder boy every hope and encouragement.

Cuts Income Tax

HE was a most attractive person even in old age. She married three times. Churchill adored her. She would never allow the family to part with Lord Randolph's robes of office. She kept them in a trunk against the day Winston, too, would wear them as Chancellor.

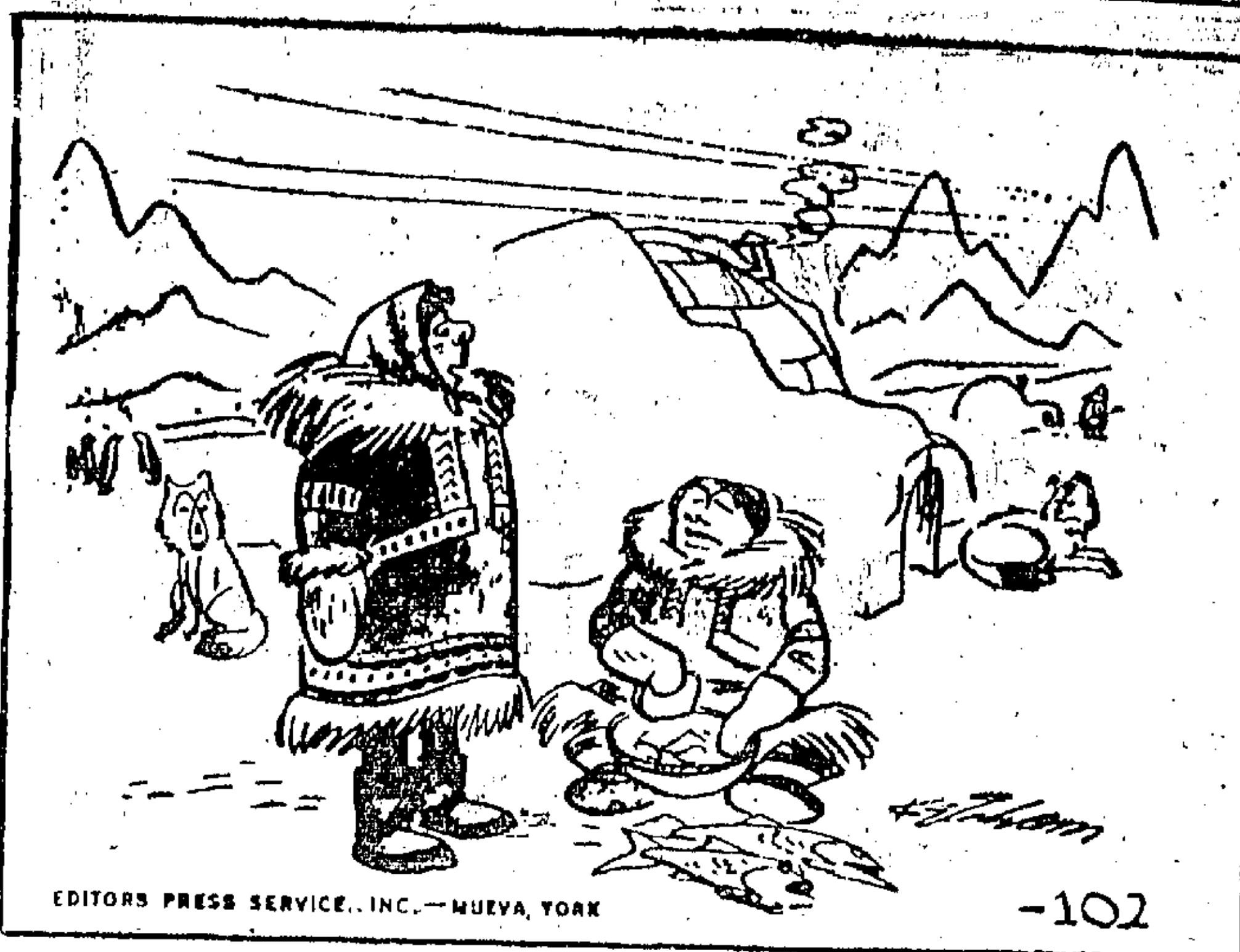
Now that he stood in the proud office her husband held with much distinction he would have liked to have heard her gentle congratulations. But she had died three years earlier.

This first Budget speech returned Britain to the gold standard.

But his speech contained some good news. Income tax was lowered from 4s 6d to 4s. Halfway through it, with typical Churchillian impish humour, he paused and said: "It is imperative that I should refresh the revenue and this I shall now, with the permission of the House, proceed to do."

Amid cheers he raised a most un-Crippsian glass to his lips and drained it. It contained whisky.

(MORE ON MONDAY)



EDITORS PRESS SERVICE, INC. - NEW YORK

FOR THE BUSINESSMAN

Newsprint May Be Short

Montreal, Jan. 4.

The Newsprint Association of Canada today predicted a very tight world supply and possible shortage of newsprint in 1951 if American consumption continues to increase.

The United States takes 60 percent of the total world supply as compared with a pre-war proportion of 44 percent, the association said.—Reuter.

Anglo-Danish Trade Talks?

Copenhagen, Jan. 4.

Denmark is considering seeking trade talks with Britain on ministerial level, informed circles here said today.

Since the devaluation of the Pound Sterling in September, 1949, trade relations between the two countries have deteriorated and the British trading policy has been repeatedly attacked by the Danish Press.

The influential financial newspaper Fina Natidende declared today that Britain was regaining her feet economically at the expense of the smaller European nations.—Reuter.

Seeds And Oils

New York, Jan. 4.

Prices in the seeds and oils market here closed today unchanged with the following exceptions:

Flax Seed, per bushel, F.O.B. Minneapolis . . . 4.30.—United Press.

STANDARD BRIDGE

By M. Harrison-Gray

Dealer: South.

Game all.

N. 10 8 3
7 6
A 4
Q 8 7 3 2

W. 9 5 2
J 10 8 5 2
K Q 10 3
4

E. K J
A 9 4 3
J 8 7 6 5
9 5

S. A 7 6 4
K Q
9 2
A K J 10 6

This hand from a 1936 Gold Cup match was hailed at the time as a triumph for trial bids, but it brings out the advance in modern approach methods. The auction started in both rooms with One Club—Three Clubs. The first South bid a gambling Three No-Trumps and went two down. The other bid Three Spades, which was raised to Four and made after weak defence.

The raise to Three Clubs is clumsy and wasteful. North should bid One Spade which South raises to Three, and North bids Four Spades. This contract can only be beaten in the unlikely event of East leading a Club; even so, it is difficult for him to lead West with a singleton. Although the latter can suggest a desire to ruff by playing high-low in trumps.

London Express Service.

BANK OF ENGLAND STATEMENT

London, Jan. 4.

The Bank of England statement for the week ending January 3, reads as follows:

Notes in circulation	£1,333,207,000
Public deposits	25,332,000
Private deposits	396,127,000
Government securities	344,046,000
Other securities	52,006,000
Receipts	43,487,000
Bank ratio	10.3

—United Press.

Paris, Jan. 4.

The Bank of France statement for the week ending December 28, reads as follows:

Total gold holdings	Fr. 182,784,771,248
Total of other currencies	4,483,220,061
Sight balances abroad	161,930,330,154
Advance to currency stabilisation fund	131,100,000,000
Bill discounted in France and abroad	427,220,771,092
Notes in circulation	1,560,561,200,470

—United Press.

Haifa Shops May Close Down

Haifa, Jan. 4.

Importers and wholesalers of foodstuffs here may decide to close their shops and disrupt the distribution of supplies, a spokesman of their union said here today at a Chamber of Commerce meeting.

Wholesalers who complained their benefits have been reduced from ten per cent to three per cent during the past two years, accused the Government of trying to eliminate them altogether.

They say that for 12 months no reply has been received to letters to the Ministry of Trade, asking for increased profit.—Reuter.

New York Stock Exchange

New York, Jan. 4.

Heavy industry shares paced the stock market in another major assault on its highs since 1930. Both industrials and rails broke through to new peaks. Industrials soared to \$200.86, up \$1.87, its highest since September 12, 1930. Railroad advanced to \$79.03, a new top since July 13, 1931. Rails rose in fractions to about a point. Televisions which had sagged when materials shortages curtailed production, picked up.—United Press.

Metal Market Prices

New York, Jan. 4.

Prices in the metal market here closed today unchanged with the following exceptions:

Tin, Grade A (80-85 percent or higher)	New York, per lb.
	157.—United Press.

WORLD WAR NOT INEVITABLE

Commonwealth Prime Ministers In Agreement

Constructive Approach To World Problems

London, Jan. 4.

The British Commonwealth Prime Ministers, opening a 10-day conference on the world crisis here today, were in agreement that war is not inevitable, informed quarters said.

It was made clear in the preliminary talks that the conference is not to discuss preparations for war but means of preventing it.

Strong emphasis was laid on a constructive approach to world problems, and the necessity for seeking to improve living standards.

The importance of the free world holding together at this critical juncture in international affairs was fully appreciated, and there was general agreement on the utmost importance of maintaining the authority of the United Nations.

A communique issued after the meeting said, "The first plenary meeting of the Prime Ministers' meeting took place at No. 10 Downing Street this morning. The Prime Ministers of the United Kingdom, Canada, the Commonwealth of Australia, New Zealand, India, Ceylon and Southern Rhodesia and Dr. Donges—representing the Prime Minister of the Union of South Africa—were present.

"Mr. Attlee, who is host to the meeting, was in the Chair. He welcomed the other Commonwealth representatives on behalf of the United Kingdom Government.

"Mr. Attlee recalled that since the last meeting of Prime Ministers the Commonwealth had lost three former Commonwealth Prime Ministers—Mr. Mackenzie King of Canada, Field Marshal Smuts of South Africa and Mr. Peter Fraser of New Zealand—and tribute was paid to their distinguished services.

"A discussion took place on procedure and agreement was reached on the business of the meeting and on the manner in which it would be conducted.

WORLD PROBLEMS

"The Prime Minister of the United Kingdom then opened a discussion on the general international situation in which all the Commonwealth representatives took part.

"This discussion was continued in the second plenary meeting held in the afternoon.

"The meetings today were devoted to a general analysis of world problems. Tomorrow, particular aspects of these problems will be considered in greater detail.

One member of the Commonwealth was missing—Pakistan, whose Prime Minister, Mr. Liaquat Ali Khan, has declined to attend unless the Kashmir dispute between his country and India is collectively considered by the statesmen.

One of the first acts of the Prime Ministers today was to send a telegram to Mr. Liaquat Ali Khan, asking him to change his mind.

RUSSIAN THREAT

In his survey of the world situation today, Mr. Attlee referred to the threat to world peace posed by present Russian policy, the part Britain would play in defence of Europe by her membership of the North Atlantic Treaty Organisation, and his recent talks in Washington with President Truman.

He is understood to have surveyed the position of Germany and the progress made towards a Japanese peace treaty. Mr. Attlee stressed the urgency of Far East problems.

Mr. Jawaharlal Nehru, India's Prime Minister, made a speech in which he deplored the general tendency becoming evident of a "mad race of rearmament."

This could only tend to increase rather than lessen the present tension of the world, he said, according to usually reliable sources.

The Indian Prime Minister was reported to have reminded the conference that in considering the problems facing them they should not lose sight of their main objective—the promotion of world peace.

Mr. Nehru regretted that most nations were spending more and more of their resources in armament which could, and should, be used for the betterment of humanity.

He is reported to have mentioned that against the international background of piling up defence costs India was almost the only country cutting down her expenditure on armies by 15 percent.

This did not mean that they were weakening India's defences. Instead, a real effort was being made to turn more of her resources to the betterment of her people.

THE NEW CHINA

Mr. Nehru is believed to have declared that it was idle and irrelevant to talk of China as a satellite of Russia though it might be that she was a friendly ally of the Soviet.

The hard reality was that they had to work with the new China, a major power in Asia and the world, and that her voice should be heard in the councils of the nations of the world.

Mr. Nehru is said to have told the other Prime Ministers that the carrying on of a "limited war" or an economic boycott of China would keep the world in a state of tension and could only hold up progress.

The other statesmen attending the meeting also spoke.

After their morning session today the statesmen lunched with King George and his family.

Earlier reports about the Premiers' meeting said that they had the following rough heads on which to plan their programme over the next 10 days:

FIVE POINTS

(1) The situation in Korea and its implications for the Commonwealth, and policies to be advanced in the United Nations.

(2) Commonwealth policy towards Communist China.

(3) Rearmament of Germany and the possibility of high level talks with Russia.

(4) Britain's commitments as a member of the North Atlantic Treaty Organisation and their implications in terms of manpower, money and rearmament.

(5) A Japanese peace treaty, and the American suggestion that Japan might be rearmament.

One subject likely to be brought up is the suggestion by General Douglas MacArthur that Japan might be re-armed to defend herself against the threat of Communism.

Australia and other Commonwealth countries will urge that strict limitations should be imposed in any Japanese rearmament.

One of the most difficult problems of the conference will be, if any attempt is made, to secure general Commonwealth

recognition of Communist China, and her right to a seat on the United Nations.

Australia, New Zealand, South Africa and Canada have not recognised the Peking Government while Britain, India, Ceylon and Pakistan have.

UNIQUE CEREMONY

After the first session of today's meeting of Premiers, the six Prime Ministers attended a meeting of the Privy Council at which King George presided.

Mr. Don Stephen Senanayake (Ceylon) and Mr. Sidney Holland (New Zealand) were sworn in as new members of the Council.

The King has never before presided over a Council attended by six of the Commonwealth Prime Ministers.

The Prime Ministers were stars of a television programme broadcast to England and Wales today.

Viewers saw the earlier "shots" of the leaders arriving, the crowds and then close-ups taken in the drawing room of No. 10 Downing Street.

The Prime Ministers were able to see themselves on the television screen for a monitor set was specially installed in the room where they were being televised.

Short speeches made before television cameras by the statesmen at the start of the Commonwealth conference were broadcast here today.

HOPES FOR PEACE

Dr. Theophilus Donges (South Africa's Minister of the Interior), who is representing Dr. Daniel Malan, his Prime Minister, said: "At this time we feel it is necessary that the friends of peace should confer together and exchange ideas and attempt to devise ways and means to stop aggression.

Mr. Nehru was heard to say, "I hope we shall reduce the tension of the world and contribute to peace."

Mr. Attlee said, "We meet from time to time, and this time we are discussing the general world situation."

"I have with me the Foreign Secretary—Mr. Ernest Bevin—and the Minister of Defence—Mr. Emanuel Shinwell."

"Our discussions will be very general, and we hope that there will be an important contribution to peace."

"Today, the conference will be concerned mainly with speeches and with the object of obtaining a general idea as to procedure."—Reuter.

Sign Of Better Relations

Belgrade Jan. 4.

A Swedish Red Cross delegation arrived here today to help the Yugoslav Red Cross to identify and return to their parents in Greece, Greek children who were brought here during the civil war.

According to the Belgrade radio tonight, the Swedish delegates will be given a free hand and all materials will be placed at their disposal.

The arrival of the delegation is seen by Western observers as a Yugoslav concession to alleged Greek requests that a neutral Red Cross body should supervise the repatriation of children, and reflects improving relations between two countries.

—Reuter.



MGM actress Cyd Charisse poses beside the swimming pool of her Hollywood home. Miss Charisse finds the sun a bit strong and has to apply lotion to keep her eyes beauty-bright.

Korea War

(Continued from Page 1)

forces by sea from the west coast is taking place."

Meanwhile, the last civilians who streamed out of Seoul described how the Korean Communist flag was hoisted in the centre of the city.

The Reds conquered the city that had been abandoned by most of its population and one which was scarred by fire.

The Allied casualties in the battle of Seoul were said to be less than had been anticipated. Red prisoners told United Nations intelligence officers that they had been issued five days rations on Dec. 31 to carry them through the battle. The Chinese Commander attained his objective one day ahead of schedule.

—United Press.

PART OF STRATEGY

London, Jan. 4.

The evacuation of Seoul was expected as part of the overall Korean strategy and came as no shock to British military men, authoritative sources said today.

The quarters foresaw eventual withdrawal to the Pusan bridgehead, although it was believed that a stand might be made in the Taegu area.

—United Press.

Japanese Ships In Distress

San Francisco, Jan. 4.

Pacific Far East Lines said today that two of its freighters were still standing by a pair of Japanese ships in distress in a typhoon 600 miles east of Japan.

Repeated efforts to get lines aboard the two Japanese vessels have failed, the skippers of the Pacific ships radioed to their home offices. Both the American freighters, the Matthew Bock and Edward Luckenbach, said they would stand by until the arrival of the Japanese Coast Guard some time today.

The number of crewmen aboard the two Japanese vessels was not known.

—United Press.

French Attack In Tonkin

Saigon, Jan. 4.

French troops plunged into Communist-held territory outside the north-eastern port of Tienyen today, hunting some 10,000 Reds whose four-day siege of the vital port was broken yesterday.

A late communique from French headquarters said field artillery and the big guns of French warships laid down a heavy barrage to pave the way for the advance. French troops met no resistance in the early hours of the attack and up to 1 p.m.—the latest hour mentioned in front line reports—not a shot had been fired, the communique said.

—United Press.

Smuggling Gang Surprised

Rome, Jan. 4.

Italian frontier patrols last night surprised a gang of about 20 smugglers, who dropped cases containing over 300,000 black market cigarettes and fled back onto Swiss soil.

—Reuter.

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